

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 06-04-04**

Date Published: March 30, 2006
For Work Week Commencing: April 3, 2006
Commission Meeting: April 4, 2006, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. NorthWestern Corporation (NOR) D2005.10.161 (Eric)

On March 22, 2006 NorthWestern Energy (NWE) filed a second amended application to refinance and to borrow the proceeds from the sale of not to exceed \$170,205,000 principal amount of Pollution Control Revenue Bonds

Series 2006. The amended application was approved on February 28, 2006. That Order required that the effective interest rate for the transaction not exceed 5.20 percent. The second amended application seeks approval for NWE to consummate this transaction if the effective interest rate equals or is less than an effective interest rate of 5.576 percent. A default order on the second amended application has been drafted. Probable Motion: Grant NWE's second amended application to refinance the Pollution Control Revenue Bonds Series 2006 in the amount of \$170,205,000.

2. Citizens Telecommunications N2006.3.33 (Scott)

On March 9, 2006, Citizens filed Advice Letter No. MT-06-04 Special Promotion. Citizens is proposing to introduce a special promotion beginning April 10, 2006 and continuing through July 9, 2006, where technically available in the serving Wire Center for Residential customers. The promotion waives the applicable Service Request Charge and the Connection of Network Access Line Charge for an existing residential customer who moves to a new location within the company's service territory and initiates residential service at that new location.

3. MCI Communications N2006.3.35 (Scott)

On March 15, 2006 MCI Communications filed revisions to its Montana Tariff No. 2. The purpose of this filing is to add a minimum charge to a multiple of MCI Plans and adjust its price list. MCI is also requesting to make textual changes and extend the expiration date for Anniversary Lifetime Promotion, RRL Certificate Promotion 1 and II. Probable Motion: Approve MCI Communications' filing in Docket N2006.3.35.

4. Six (6) Qwest TRO/TRRO Amendments: D2002.9.108 - Qwest/New Edge, D2004.7.107 - Qwest/IDT America, D2004.10.167 - Qwest/InTTec, Inc., D99.10.240 - Qwest/Multiband, D2004.1.2 - Qwest/XO Communications, D2000.8.134 - Qwest/American Fiber Network
(Gary)

Qwest has filed for approval with this Commission six TRO/TRRO amendments in the dockets listed above. The FCC, with the help of the United States D.C. Court of Appeals has redefined what constitutes an unbundled network element (UNE) under Section 251 of the 1996 Telecommunications Act. Specifically, the FCC issued its Triennial Review Order (TRO) effective October 3, 2003. This was followed by the United States D.C. Court of Appeals issuing what is called the USTA II decision on

March 2, 2004. Finally, the Commission issued its Triennial Review Remand Order (TRRO) on March 11, 2005. The effect of these orders and decision was to remove a number of UNES from the list of UNEs required to be offered to competitive local exchange carriers (CLECs). These amendments remove from their existing interconnection agreements approximately 30 UNEs which Qwest and the parties to these agreements have agreed are no longer required to be offered under Section 251.

These six TRO/TRRO amendments are identical as to terms, conditions, and rates and were voluntarily negotiated by the parties involved.

Probable Motion: Move to approve the following six wireline interconnection agreement amendments: D2002.9.108 - Qwest/New Edge, D2004.7.107 - Qwest/IDT America, D2004.10.167 - Qwest/InTTec, Inc., D99.10.240 - Qwest/Multiband, D2004.1.2 - Qwest/XO Communications, D2000.8.134 - Qwest/American Fiber Network.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2006.1.3, D2006.1.5 – Qwest, Sagebrush Cellular, 360Networks USA Inc. – Interconnection Agreements – Discuss and act on the agreements. (4/4/06)
2. Discuss possible responses to the Rick Hays (Qwest) letter of March 10, 2006 regarding Qwest's proposed 2007 legislation. (4/4/06)
3. D2004.3.45 – NorthWestern Energy – Application of NorthWestern Energy for Approval of Agreement for Sale and Purchase of Capacity and Energy between NorthWestern Energy and Basin Creek Equity Partners, L.L.C. – Discuss and act on Basin Creek Equity Partners' Motion for Protective Order. (4/4/06)
4. PSC on own motion – Notice of Inquiry or Opportunity to Comment on certain questions related to the PSC protective order process and the default supply procurement model – Discuss a draft notice, consider changes to the draft, and consider whether to issue the notice. (4/4/06)
5. Utility Division administrative support positions – Discuss/act on moving the positions to the broadband pay plan. (4/4/06)
6. D2005.4.49 – Mountain Water Company – Mountain Water general rate case – Discuss Mountain Water Company's motion for reconsideration

and application for rehearing on the PSC Final Order No. 6644c issued February 3, 2006. (4/4/06)

Other Meetings

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199

Information Items All items identified below are for information only.

New Filings Received in Past Week

D2006.3.39 – Qwest Corporation – Notification of Certain Features, Listings and Packages to be offered as not regulated

N2006.3.40 – PSC Initiated – 2006 Annual Line Moving Charge Compliance Filings